

## Message Text

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ACTION EB-07

INFO OCT-01 EUR-12 ISO-00 FEA-01 ERDA-05 AID-05 CEA-01

CIAE-00 COME-00 EPG-02 DODE-00 FPC-01 H-01 INR-07

INT-05 L-03 NSAE-00 NSC-05 OMB-01 PM-04 USIA-06

OES-07 SP-02 SS-15 STR-04 TRSE-00 ACDA-07 EPA-01

CEQ-01 /104 W

-----062228Z 086456 /73

R 061831Z JUN 77

FM AMCONSUL VANCOUVER

TO SECSTATE WASHDC 3504

INFO AMEMBASSY OTTAWA

C O N F I D E N T I A L VANCOUVER 0492

E.O. 11652:GDS

TAGS:ENRG, CA

SUBJECT:KITIMAT OIL PIPELINE

WHITE HOUSE/SCHLESINGER; FEA/O/LEARY; STATE/KATZ FROM  
AMBASSADOR

1. BRITISH COLUMBIA PREMIER BENNETT TOLD AMBASSADOR MAY  
31 THAT PROVINCE WILL COME OUT AGAINST CONSTRUCTION OF OIL  
PIPELINE THROUGH KITIMAT. GOVERNMENT STUDIES OF PROJECT  
"CONSIDERED IN ISOLATION WITH NO TRADE-OFFS WITH PUGET  
SOUND TRAFFIC" SHOW FEW BENEFITS TO B.C. AND IMPORTANT  
COSTS TO ENVIRONMENT AND TO OIL SECURITY (I.E., PIPELINE  
WOULD ENCOURAGE SUBSTITUTION OF IMPORTED FOR ALBERTAN OIL,  
WEAKENING B.C.'S BARGAINING POSITION FOR CANADA'S DWINDLING  
OIL SUPPLY VIS-A-VIS EASTERN PROVINCES). B.C. WILL TAKE  
PUBLIC STANCE WHEN IT APPEARS BEFORE NEB INQUIRY ON  
KITIMAT LINE, WHICH BEGINS AUGUST 1.

2. BENNETT SAYS HE ASKED TRUDEAU TO RAISE WITH PRESIDENT  
CARTER IN FEBRUARY POSSIBILITY OF TRADE-OFFS IN PUGET  
SOUND, BUT HAS HEARD NOTHING FURTHER FROM OTTAWA. THUS,  
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BEST TACTIC HAS APPEARED TO HIM TO COME DOWN HARD IN PLAY  
HE CAN MAKE HIMSELF.

3. ACTION REQUESTED: RECOGNIZE THAT VARIOUS FACTORS MAKE  
PUGET SOUND/KITIMAT TRADE-OFFS DIFFICULT TO CONSIDER  
(LIMITED REGULATORY POWER OVER OIL PIPELINES, POTENTIALLY  
HIGHER COST OF SUPPLYING SEATTLE AREA THROUGH KITIMAT/

TRABS-MOUNTAIN). AT A MINIMUM, HOWEVER, IT WOULD APPEAR THAT LIMITED QUANTITY OF ALASKAN OIL SURPLUS TO WEST COAST NEEDS WOULD NOT REQUIRE CONSTRUCTION OF BOTH KITIMAT AND NORTHERN TIER PIPELINES, AND THAT MIGHT BE ONE TRADE-OFF TO CONSIDER OFFERING. OTHERS SHOULD AT LEAST BE ANALYZED.

4. REQUEST FEA GIVE EMBASSY ITS CURRENT ANALYSIS OF THE OPTIONS AND THEIR INTERRELATIONSHIP<sup>5</sup>. IF WE HAVE A TRADE-OFF TO DISCUSS WITH CANADA, WE SHOULD RAISE IT WITH OTTAWA NOW, AND SUGGEST OTTAWA TAKE IT UP WITH BENNET. OTHERWISE, HE'LL GET HIMSELF PRETTY WELL SET IN CONCRETE. LUPPI

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## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01-Jan-1994 12:00:00 am  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** PROVINCE, POLICIES, CONSTRUCTION, ENVIRONMENT, PETROLEUM PIPELINES  
**Control Number:** n/a  
**Copy:** SINGLE  
**Sent Date:** 06-Jun-1977 12:00:00 am  
**Decaption Date:** 01-Jan-1960 12:00:00 am  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 22 May 2009  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
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**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
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**Executive Order:** GS  
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**Film Number:** D770201-0687  
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**Litigation History:**  
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**Office:** ACTION EB  
**Original Classification:** CONFIDENTIAL  
**Original Handling Restrictions:** n/a  
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**Previous Handling Restrictions:** n/a  
**Reference:** n/a  
**Retention:** 0  
**Review Action:** RELEASED, APPROVED  
**Review Content Flags:**  
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**Review Exemptions:** n/a  
**Review Media Identifier:**  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**SAS ID:** 2256463  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** KITIMAT OIL PIPELINE WHITE HOUSE/SCHLESINGER; FEA/O/LEARY; STATE/KATZ FROM AMBASSADOR  
**TAGS:** ENRG, CA  
**To:** STATE  
**Type:** TE  
**vdkgvkey:** odbc://SAS/SAS.dbo.SAS\_Docs/be243984-c288-dd11-92da-001cc4696bcc  
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